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PTQ8143

RELEASED IN PART
B1, 1.4(D)

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ACTION WHA-00

INFO	LOG-00	NP-00	AID-00	CEA-01	CIAE-00	CTME-00	DINT-00
	DODE-00	DOT-00	PERC-00	SRPP-00	DS-00	EB-00	EXIM-01
	E-00	FAAE-00	VC-00	FRB-00	H-01	TEDE-00	INR-00
	IO-00	ITC-01	LAB-01	L-00	VCE-00	AC-01	DCP-01
	NSAE-00	NSCE-00	OES-00	OMB-01	OPIC-01	PA-00	PM-00
	PRS-00	ACE-00	P-00	SP-00	IRM-00	SSO-00	STR-00
	TRSE-00	USIE-00	EPAE-00	PMB-00	DSCC-00	PRM-00	DRL-02
	G-00	NFAT-00	SAS-00	/011W			

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P 022033Z DEC 02
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC PRIORITY 8783
INFO OPEC COLLECTIVE
AMEMBASSY BOGOTA
AMEMBASSY BRASILIA
AMEMBASSY LA PAZ
AMEMBASSY LIMA
AMEMBASSY MEXICO
AMEMBASSY PORT OF SPAIN
AMEMBASSY QUITO
DEPT OF COMMERCE WASHDC
DEPT OF ENERGY WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 003830

ENERGY FOR DAVID PUMPHREY AND ANDREA LOCKWOOD

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E.O. 12958: DECL: 11/26/2012
TAGS: EPET, PGOV, ECON, VE
SUBJECT: PDVSA AND THE GENERAL STRIKE

REF: CARACAS 3794

CLASSIFIED BY: AMBASSADOR CHARLES S. SHAPIRO, REASONS 1.5 (B) AND (D)

SUMMARY

1. (C) APPROXIMATELY 90 PERCENT OF PETROLEOS DE VENEZUELA'S
(PDVSA) ADMINISTRATIVE EMPLOYEES IN CARACAS DID NOT REPORT TO

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WORK DECEMBER 2, AND SOME 70 PERCENT WERE ALSO ON STRIKE IN THE WEST (MARACAIBO) WHERE PDVSA CONTINGENCY PLANS HAVE REPORTEDLY BEEN PUT INTO OPERATION. OPERATIONS IN THE EASTERN PRODUCTION AREA IN MATURIN AND THE JOSE INDUSTRIAL COMPLEX ARE STILL NORMAL. PORT OPERATIONS NATIONWIDE ARE ALSO STILL NORMAL WITH SHIPS DISPATCHING CRUDE AND PRODUCTS. THE EL PALITO REFINERY, WHERE THE HUMAN RELATIONS MANAGER HAS BEEN DETAINED, MAY ONCE AGAIN, HOWEVER, BECOME A FLASH POINT IN THE STRUGGLE FOR POWER OVER VENEZUELA'S OIL SECTOR. END SUMMARY.

ON STRIKE!

2. (C) PDVSA ADMINISTRATIVE OPERATIONS IN CARACAS AND ELSEWHERE VIRTUALLY GROUND TO A HALT TODAY WITH A 90 PERCENT
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ABSENTEE RATE IN CARACAS, 70 PERCENT IN MARACAIBO, AND SIMILARLY LARGE NUMBERS AT INDIVIDUAL FACILITIES THROUGHOUT VENEZUELA. SIGNIFICANT NUMBERS OF RANK AND FILE WORKERS ALSO FAILED TO REPORT FOR WORK AT FACILITIES IN THE MARACAIBO PRODUCTION AREA. [REDACTED]
INFORMED ECONOFF THAT, OF 250 VESSELS THAT CUSTOMARILY TRANSPORT WORKERS TO FACILITIES IN LAKE MARACAIBO, ONLY 40 SAILED. WHILE OPERATIONS IN THE LAKE ARE STILL NORMAL (INCLUDING THE CRITICAL GAS FUNCTIONS), HE REPORTED THAT PDVSA MANAGEMENT HAS ALREADY PUT CONTINGENCY PLANS INTO OPERATION IN THAT AREA.

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BUT NOT FULLY

3. (C) WHILE THERE ARE SOME REPORTS OF ABSENTEEISM, PDVSA OPERATIONS IN THE EAST IN THE PRODUCTION AREAS AROUND MATURIN AND AT THE JOSE INDUSTRIAL COMPLEX ARE OPERATING NORMALLY. THE FOUR EXTRA-HEAVY CRUDE ORINOCO BELT PROJECTS ARE ALSO OPERATING NORMALLY. FOREIGN OIL COMPANIES OPERATING IN VENEZUELA ALSO REPORT MORE OR LESS NORMAL OPERATIONS.

[REDACTED]
[REDACTED] TELLS US PORT OPERATIONS ARE STILL NORMAL. THIS DESPITE THE FACT THAT, AS IN APRIL, THE WORKERS WHO PROCESS SHIPPING AND COMMERCIAL DOCUMENTATION ARE NOT AT WORK. [REDACTED] EXPLAINED TO ECONOFF THAT DOCUMENTATION FOR SHIPS IN PORT DECEMBER 2 HAD BEEN PROCESSED WELL IN ADVANCE OF THE STRIKE.

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EL PALITO -- THE HOT SPOT ONCE AGAIN

4. (C) THE EL PALITO REFINERY, WHICH PLAYED A LEADING ROLE IN THE EVENTS OF THE APRIL STRIKE, IS ONCE AGAIN IN THE FOREFRONT OF THE UNREST WITHIN PDVSA. THE REFINERY'S HUMAN RESOURCES MANAGER WAS DETAINED DECEMBER 2 BY THE NATIONAL GUARD. THERE ARE CONFLICTING REPORTS AS TO WHETHER HE HAS BEEN RELEASED OR NOT. ACCORDING TO A PDVSA OFFICIAL HE WAS DETAINED WHILE GIVING INSTRUCTIONS THAT THOSE WITHOUT PROPER CREDENTIALS SHOULD NOT BE ALLOWED TO ENTER THE COMPLEX.

(NOTE: THIS IS AN OBVIOUS REFERENCE TO THE FEAR THAT THE GOVERNMENT WILL INTERVENE TO TAKE OVER REFINERY OPERATIONS.

END NOTE) [REDACTED] TELLS US THAT
SUBSTANTIAL NUMBERS OF THE DAY CREW AT EL PALITO DID NOT REPORT FOR DUTY (ONLY 6 OF 53 OPERATORS REPORTED). HE OPINED THAT IF THE NEXT SHIFT DOES NOT REPORT FOR DUTY THE FACILITY MAY HAVE TO START TO SHUT DOWN UNITS. (NOTE: EL PALITO REFINES GASOLINE FOR USE IN CARACAS AND THE CENTER OF VENEZUELA. A LONG TERM SHUTDOWN OF THIS FACILITY WOULD CAUSE MAJOR CONCERN BUT PDVSA HAS INFORMED US (SEE REFTEL) THAT GASOLINE SUPPLIES HAVE BEEN STOCKPILED.)

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OTHER REFINERIES

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ACTION WHA-00

INFO	LOG-00	NP-00	AID-00	CEA-01	CIAE-00	CTME-00	DINT-00
	DODE-00	DOTE-00	SRPP-00	DS-00	EB-00	EXIM-01	E-00
	FAAE-00	VC-00	FRB-00	H-01	TEDE-00	INR-00	ITC-01
	LAB-01	L-00	VCE-00	AC-01	NSAE-00	NSCE-00	OES-00
	OMB-01	OPIC-01	PA-00	PM-00	PRS-00	ACE-00	P-00
	SP-00	IRM-00	SSO-00	STR-00	TRSE-00	USIE-00	EPAE-00
	PMB-00	DSCC-00	PRM-00	DRL-02	G-00	NFAT-00	SAS-00

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FM AMEMBASSY CARACAS
TO SECSTATE WASHDC PRIORITY 8784
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5. (C) CREW CHANGES HAVE REPORTEDLY ALSO BEEN A PROBLEM AT OTHER REFINERIES INCLUDING BAJO GRANDE IN LAKE MARACAIBO, THE PARAGUANA REFINING COMPLEX, AND PUERTO LA CRUZ. THE LOCALLY-PRODUCED VENEZUELAN PETROLEUM WEBSITE, "PETROLEUMWORLD.COM" IS REPORTING THAT EMPLOYEES ATTEMPTED TO REPORT TO WORK AT THE BAJO GRANDE FACILITIES AND WERE TURNED AWAY BY OPPOSITION WORKERS. [REDACTED] TELLS US THAT ALL ADMINISTRATIVE ACTIVITIES ARE CLOSED AT PARAGUANA AND THAT THERE WERE ALSO PROBLEMS THERE AT CREW CHANGE. THE PARAGUANA COMPLEX HAS BEEN UNDERGOING MAINTENANCE ON SEVERAL UNITS WHICH WERE SUPPORTED TO RESUME OPERATIONS TODAY. [REDACTED] HAS SAID THAT THE PLANT MANAGERS DECIDED NOT TO BRING THEM UP BECAUSE OF A SHORTAGE OF GAS WHILE ANOTHER HAS SAID THERE WILL BE PROBLEMS RELATING TO FEEDSTOCK STORAGE BECAUSE THE UNITS WERE NOT BROUGHT UP. FINALLY, THE PUERTO LA CRUZ PLANT MANAGER APPEARED ON THE TELEVISION TO SAY THAT HE MIGHT HAVE "TO TAKE MEASURES" IF WORKERS FAIL TO REPORT FOR THE AFTERNOON SHIFT.

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COMMENT

6. (C) PDVSA OPPOSITION SPOKESMAN JUAN FERNANDEZ APPEARED ON NATIONAL TELEVISION DECEMBER 2 TO STATE THAT THE OPPOSITION
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HOPES SLOWLY TO PUSH THE COMPANY INTO A SHUTDOWN WITHOUT
HARMING EITHER COMPANY FACILITIES OR THE ENVIRONMENT. THE
BOTTOM LINE IS THAT OPERATIONS ARE MORE OR LESS NORMAL TODAY
ON THE FIRST DAY OF THE STRIKE BUT ARE NOT LIKELY TO REMAIN
SO FOR LONG IF IT CONTINUES.
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